

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF ARIZONA

In re:)	CASE NO. <u>2:18-bk-13118-EPB</u>
)	
Arctic Catering, Inc.)	BUSINESS AND INDUSTRY
7373 E Doubletree Ranch Road)	MONTHLY OPERATING REPORT
Sutie 135)	
Scottsdale, AZ 85258)	MONTH OF <u>Month Ended 8/31/19</u>
)	
)	DATE PETITION FILED: <u>10/25/2018</u>
Debtor)	
)	TAXPAYER ID NO. : <u>92-0047121</u>

Nature of Debtor's Business: _____

Formerly provided remote camp catering and camp management services in Alaska.

DATE DISCLOSURE STATEMENT FILED 4/23/19 TO BE FILED TBD
DATE PLAN OF REORGANIZATION FILED 4/23/19 TO BE FILED TBD

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOLLOWING MONTHLY OPERATING REPORT AND
THE ACCOMPANYING ATTACHMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

RESPONSIBLE PARTY:


ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

David Gonzales
PRINTED NAME OF RESPONSIBLE PARTY

CEO/President
TITLE

9/6/19
DATE

PREPARER:


ORIGINAL SIGNATURE OF PREPARER

Lorelei Gonzales
PRINTED NAME OF PREPARER

Controller
TITLE

9/6/19
DATE

PERSON TO CONTACT REGARDING THIS REPORT: Dave Gonzales

PHONE NUMBER: 602-571-9588

ADDRESS: _____

FILE ORIGINAL REPORT ELECTRONICALLY WITH THE COURT, FILE PAPER COPY WITH U.S. TRUSTEE'S OFFICE

CASE NO. 2:18-bk-13118-EPB						FOOTNOTES
	BANK ACCOUNTS					
	Operating	Payroll	Collateral		Total	
	#3391	# 3468	#8845			
Balance at Beginning of Month	\$ 865,781.36	\$ -	\$ -		\$ 865,781.36	
RECEIPTS						
Cash Sales					\$ -	
Accounts Receivable					\$ -	
Loans and Advances					\$ -	
Sale of Assets					\$ -	
Transfers from Other DIP Accounts	\$ 226,608.44		\$ (226,608.44)		\$ -	A
Other:						
Reimbursements/Refunds	\$ 44,124.10				\$ 44,124.10	B
Post Sale Collections			\$ 226,608.44		\$ 226,608.44	A
Post Sale Collections wired to AAC&SS	\$ (226,608.44)				\$ (226,608.44)	A
TOTAL RECEIPTS	\$ 44,124.10	\$ -	\$ -	\$ -	\$ 44,124.10	
DISBURSEMENTS						
Business - Ordinary Operations	\$ 101,123.59				\$ 101,123.59	
Capital Improvements					\$ -	
Pre-Petition Debt					\$ -	
Transfers to Other DIP Accounts					\$ -	
Other (attach list)						
Bank Fees	\$ 661.25				\$ 661.25	
Reorganization Expenses:					\$ -	
Attorney Fees	\$ 19,412.29				\$ 19,412.29	
Accountant Fees					\$ -	
Other Professional Fees					\$ -	
U. S. Trustee Quarterly Fee					\$ -	
Court Costs					\$ -	
TOTAL DISBURSEMENTS	\$ 121,197.13	\$ -	\$ -	\$ -	\$ 121,197.13	
Balance at End of Month	\$ 788,708.33	\$ -	\$ -	\$ -	\$ 788,708.33	

*Information provided above should reconcile with balance sheet and income statement amounts

FOOTNOTES - Page 2a

DISBURSEMENTS FOR CALCULATING QUARTERLY FEES:

Total Disbursements From Above	\$ 121,197.13
Less: Transfers to Other DIP Accounts	\$ -
Plus: Estate Disbursements Made by Outside Sources (payments from escrow; 2-party check; etc.)	
Total Disbursements for Calculating Quarterly Fees	\$ 121,197.13

RECEIPTS AND DISBURSEMENTS FOOTNOTES

FOOTNOTES to 7/31/19 MOR page 2

A Post Sale Collections (Negative Receipts):

Funds paid to ACI that belonged to the Buyer for post sale AR Collections. (Conoco ACH Receipts). ACI transferred the receipts to the Operating Account then wired the funds to the Buyer.

B Reimbursements and Refunds:

Rent refunds	\$1,826.71
Sysco Rebates for Pre Sale Invoices	\$1,044.21
John Hancock - 401K Audit Fees (offset Professional Expenses)	\$18,000.00
Post 6/17 UltiPro fees Reimbursed by AAC&SS	\$5,930.00
Coca Cola Deposit Refund ((Due from Vendor)	\$1,136.59
Beacon Deposit Refund ((Due from Vendor)	\$6,885.00
EPA 8/27 ACH Deposit (to be determined)	\$7,511.14
Premiera Refund - Oct 2018 per Shannon	\$1,790.45
	<u>\$44,124.10</u>

INCOME STATEMENT

(Accrual Basis)

*Debtor's own form may be substituted if (1) it is prepared in accordance with generally accepted accounting principals,
 (2) year-to-date and filing-to-date information is provided, and (3) if reorganization expenses are segregated in the statement.

REVENUES	Current Month	Year to Date	Total Since Filing
Gross Revenue			
Less: Returns & Discounts			
Net Revenue			
SEE ATTACHED			
COST OF GOODS SOLD			
Material			
Direct Labor			
Direct Overhead (attach detail)			
Total Cost of Goods Sold			
GROSS PROFIT			
OPERATING EXPENSES			
Officer/Insider Compensation			
Selling & Marketing (attach detail)			
General & Administrative (attach detail)			
Other Expenses (attach detail)			
Total Operating Expenses			
Income Before Non-operating Income and Expense			
OTHER INCOME & EXPENSE			
Other Income (attach list)			
Other Expense (attach list)			
Interest Expense			
Depreciation/Depletion			
Amortization			
Net Other Income & Expense			
Income Before Reorganization Expense			
REORGANIZATION EXPENSES			
Professional Fees			
U.S. Trustee Fees			
Other (attach list)			
Total Reorganization Expenses			
Income Tax			
NET PROFIT OR (LOSS)			

ARCTIC CATERING, INC.
Income Statement

Attachment to Page 3 of the MOR

	Current Month ME 8/31/19	YTD	Total Since Filing
Revenues			
Catering Revenue		\$ 12,594,195.26	\$ 15,023,747.12
Chargeback Revenue		\$ 990,584.21	\$ 1,307,940.05
Commissary Revenue	\$ 7,511.14	\$ 231,377.86	\$ 402,440.27
Other Revenue		\$ 10,762.45	\$ 13,864.03
Total Revenues	\$ 7,511.14	\$ 13,826,919.78	\$ 16,747,991.47
Direct Costs			
Labor		\$ 5,555,434.88	\$ 7,130,303.53
Food		\$ 1,980,351.22	\$ 2,436,766.95
Customer Chargebacks		\$ 841,665.24	\$ 1,107,788.64
Labor Burden		\$ 37,971.00	\$ 41,660.93
Freight		\$ 375,233.19	\$ 410,749.81
Commissary		\$ 104,136.29	\$ 120,520.15
Camp Utilites		\$ 1,091.00	\$ 1,297.93
Supplies/Bedding/Dishes		\$ 196,504.72	\$ 226,411.41
Cleaning & Laundry		\$ 19,730.18	\$ 4,093.72
Travel		\$ 1,235.01	\$ 3,437.80
Miscellaneous Expense	\$ 20,338.93	\$ 23,625.76	\$ 23,625.76
Total Direct Costs	\$ 20,338.93	\$ 9,136,978.49	\$ 11,506,656.63
Gross Profit	\$ (12,827.79)	\$ 4,689,941.29	\$ 5,241,334.84
Administrative/Operating Expenses			
Salaries			
Officers		\$ 487,875.67	\$ 659,270.32
Operations		\$ 550,013.36	\$ 788,937.74
Accounting & Admin	\$ 77,288.13	\$ 731,267.10	\$ 964,159.24
Salary Burden		\$ 590,348.49	\$ 753,215.87
Other Employee Costs		\$ 98,635.73	\$ 120,561.90
Insurance			
Employee Healthcare & Life	\$ (1,581.84)	\$ 639,658.75	\$ 809,552.12
General		\$ 84,850.45	\$ 95,003.82
Workers Comp		\$ 327,550.60	\$ 327,550.60
Keyman		\$ -	\$ 6,437.87
Professional Services	\$ (23,930.00)	\$ 43,933.92	\$ 16,808.88
Office & Communication	\$ 1,133.87	\$ 93,531.02	\$ 136,855.94
Rents	\$ 3,036.32	\$ 286,528.64	\$ 402,233.72
Advertising		\$ -	\$ 1,355.00
Travel		\$ 88,939.29	\$ 119,802.96
Entertainment & Promo		\$ 4,904.71	\$ 9,157.27
Vehicle		\$ 36,493.34	\$ 37,711.71
Dues & Memberships		\$ 684.00	\$ 1,245.00
Other Expense	\$ 661.25	\$ 39,557.42	\$ 46,898.06
Total Operating Expenses	\$ 56,607.73	\$ 4,104,772.49	\$ 5,296,758.02
Income From Operations	\$ (69,435.52)	\$ 585,168.80	\$ (55,423.18)
Other Income (Expense)		\$ -	
Equity Earnings - Kuukpik/Arctic LLC		\$ 174,215.15	\$ 214,522.57
Kuukpik/Arctic LLC Fee		\$ (355,541.13)	\$ (437,801.16)
Equity Earnings - KAC/AES LLC		\$ 4,709.55	\$ 7,712.13
Misc Revenue	\$ 86.03	\$ 117,348.24	\$ 120,484.45
Total Other Income	\$ 86.03	\$ (59,268.19)	\$ (95,082.01)
EBITDA	\$ (69,349.49)	\$ 525,900.61	\$ (150,505.19)
Depreciation Expense		\$ 74,219.58	\$ 105,510.30

ARCTIC CATERING, INC.
Income Statement

Attachment to Page 3 of the MOR

	Current Month ME 8/31/19	YTD	Total Since Filing
Amortization Expense		\$ 47,449.31	\$ 63,453.29
Interest Expense		\$ 103,303.42	\$ 175,019.21
LCX Loan Fees		\$ 341,445.57	\$ 341,445.57
Camp Removal		\$ -	\$ -
Total	\$ -	\$ 566,417.88	\$ 685,428.37
Income Before Reorganization Expen	\$ (69,349.49)	\$ (40,517.27)	\$ (835,933.56)
Reorganization Expenses			
Professional Fees		\$ 233,913.77	\$ 233,913.77
Trustee Fees		\$ 178,540.14	\$ 178,540.14
Other Restructure Related Expenses		\$ 13,531.64	\$ 13,531.64
Write off Investments and Deposits		\$ 197,199.00	\$ 197,199.00
Gain/Loss on Sale of Assets		\$ (140,952.68)	\$ (140,952.68)
Total Reorganization Expenses	\$ -	\$ 482,231.87	\$ 482,231.87
NET PROFIT OR (LOSS)	\$ (69,349.49)	\$ (522,749.14)	\$ (1,318,165.43)

COMPARATIVE BALANCE SHEET

(Accrual Basis)

*Debtor's own form may be substituted if (1) it is prepared in accordance with generally accepted accounting principals, (2) current and prior period information is provided, and (3) if pre-petition and post-petition liabilities are segregated.

ASSETS	SCHEDULE AMOUNT ¹	CURRENT MONTH	PRIOR MONTH
Unrestricted Cash			
Restricted Cash			
Total Cash		SEE ATTACHED	
Accounts Receivable (net)			
Inventory			
Notes Receivable			
Prepaid Expenses			
Other (attach list)			
Total Current Assets			
Property, Plant & Equipment			
Less: Accumulated Depreciation			
Net Property, Plant & Equip.			
Due From Insider(s)			
Other Assets - net (attach list)			
Other (attach list)			
TOTAL ASSETS			
POST-PETITION LIABILITIES			
Accounts Payable			
Taxes Payable			
Notes Payable			
Professional Fees			
Secured Debt			
Other (attach list)			
Total Post-Petition Liabilities			
PRE-PETITION LIABILITIES			
Secured Debt			
Priority Debt			
Unsecured Debt			
Other (attach list)			
Total Pre-Petition Liabilities			
TOTAL LIABILITIES			
EQUITY			
Pre-petition Owner's Equity			
Post-Petition Cumulative Profit/Loss			
Direct Charges to Equity (explain)			
Total Equity			
TOTAL LIABILITIES & OWNER'S EQUITY			

¹ This column should reflect the information provided in Schedules A, B, C, D, E, and F filed with the Court

ARCTIC CATERING, INC.
COMPARATIVE BALANCE SHEET

	8/31/19	7/31/19	6/30/19	5/26/19	4/28/19	3/31/19	2/24/19	1/27/19	12/30/18	11/25/18	10/28/18
Assets											
Current Assets											
Cash	\$ 788,708.33	\$ 865,781.36	\$ 1,007,857.30	\$ 417,612.48	\$ 733,021.18	\$ 185,251.49	\$ 103,078.70	\$ 190,555.38	\$ 80,724.52	\$ 336,881.25	\$ 278,853.85
Secured CD (Alliance)	\$ 101,373.96	\$ 101,287.93	\$ 101,204.75	\$ 101,118.87	\$ 101,035.83	\$ 100,701.58	\$ 100,701.58	\$ 100,701.58	\$ 100,701.58	\$ 100,000.00	\$ 100,000.00
Accounts Receivable	\$ -	\$ -	\$ (6,328.78)	\$ 2,031,981.71	\$ 3,627,228.66	\$ 5,243,044.87	\$ 3,958,008.14	\$ 2,784,020.52	\$ 1,885,325.07	\$ 1,786,756.08	\$ 1,979,495.87
Due from Vendors	\$ 17,487.29	\$ 28,475.21									
Notes Receivable	\$ 73,277.79	\$ 73,277.79	\$ 73,277.79	\$ 76,756.51	\$ 76,756.51	\$ 76,756.51	\$ 76,756.51	\$ 76,756.51	\$ 76,756.51	\$ 76,756.51	\$ 76,756.51
Inventory	\$ -	\$ -	\$ -	\$ 235,374.62	\$ 282,735.18	\$ 432,148.59	\$ 566,244.14	\$ 495,411.37	\$ 397,403.72	\$ 431,789.95	\$ 425,746.12
Prepaid Expenses	\$ 208,866.00	\$ 208,866.00	\$ 208,866.00	\$ 210,380.66	\$ 210,380.66	\$ 208,866.00	\$ 236,902.92	\$ 234,902.92	\$ 348,952.99	\$ 146,673.78	\$ 161,056.82
Total Current Assets	\$ 1,189,713.37	\$ 1,277,888.29	\$ 1,384,877.08	\$ 3,073,204.85	\$ 5,031,158.02	\$ 6,246,769.04	\$ 5,041,691.99	\$ 3,882,348.28	\$ 2,889,884.39	\$ 2,878,857.57	\$ 3,019,809.17
Property and Equipment											
Office Furniture and Equipment	\$ -	\$ -	\$ -	\$ 554,612.02	\$ 554,612.02	\$ 554,612.02	\$ 554,612.02	\$ 554,612.02	\$ 574,283.68	\$ 574,283.68	\$ 574,283.68
Camp Equipment	\$ -	\$ -	\$ -	\$ 40,485.50	\$ 40,485.50	\$ 40,485.50	\$ 40,485.50	\$ 40,485.50	\$ 100,719.03	\$ 100,719.03	\$ 100,719.03
Camp Units	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,917.11	\$ 129,917.11	\$ 129,917.11
Vehicles	\$ 49,170.06	\$ 49,170.06	\$ 49,170.06	\$ 249,334.62	\$ 249,334.62	\$ 249,334.62	\$ 249,334.62	\$ 249,334.62	\$ 249,334.62	\$ 249,334.62	\$ 249,334.62
Leasehold Improvements	\$ -	\$ -	\$ -	\$ 263,833.80	\$ 263,833.80	\$ 263,833.80	\$ 263,833.80	\$ 263,833.80	\$ 263,833.80	\$ 263,833.80	\$ 263,833.80
Accumulated Depreciation	\$ (46,206.39)	\$ (46,206.39)	\$ (46,206.39)	\$ (870,913.21)	\$ (857,242.48)	\$ (840,788.41)	\$ (821,642.95)	\$ (803,506.31)	\$ (935,646.14)	\$ (911,998.82)	\$ (888,351.44)
Net Property and Equipment	\$ 2,983.67	\$ 2,963.67	\$ 2,963.67	\$ 237,352.73	\$ 251,023.48	\$ 267,477.53	\$ 288,622.99	\$ 304,759.63	\$ 382,442.10	\$ 406,089.42	\$ 429,738.80
Other Assets											
Deposits	\$ -	\$ -	\$ -	\$ 33,459.84	\$ 33,459.84	\$ 68,139.74	\$ 67,997.81	\$ 75,697.81	\$ 75,839.74	\$ 68,139.74	\$ 68,139.74
Deposits-Post Petition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500.00	\$ 93,500.00	\$ 170,000.00
Investments in LLCs	\$ -	\$ -	\$ -	\$ 787,590.87	\$ 787,590.87	\$ 892,549.37	\$ 827,625.25	\$ 781,063.25	\$ 753,536.88	\$ 729,639.44	\$ 713,229.46
Total Other Assets	\$ -	\$ -	\$ -	\$ 821,050.71	\$ 821,050.71	\$ 960,689.11	\$ 895,623.06	\$ 856,761.06	\$ 830,876.62	\$ 891,279.18	\$ 951,369.20
Total Assets	\$ 1,192,677.04	\$ 1,280,651.98	\$ 1,387,840.73	\$ 4,131,608.29	\$ 6,103,232.19	\$ 7,474,935.88	\$ 6,223,938.04	\$ 5,043,868.97	\$ 4,103,183.11	\$ 4,176,226.17	\$ 4,401,015.17
Liabilities and Stockholders' Equity											
Post Petition Liabilities											
Accounts Payable	\$ 35,862.62	\$ 54,488.05	\$ (8,932.92)	\$ 32,369.91	\$ 35,241.89	\$ 80,017.76	\$ 697,518.81	\$ 392,664.52	\$ 67,908.44	\$ (16,086.33)	\$ 94,411.59
Line of Credit - LCX	\$ -	\$ -	\$ -	\$ 746,984.94	\$ 2,235,901.83	\$ 2,949,899.23	\$ 1,853,305.54	\$ 1,255,486.38	\$ 395,894.69	\$ 20,887.98	\$ -
Kuukpiik/Arctic LLC JV - Kuukpiik Share	\$ 77,396.57	\$ 77,396.57	\$ 77,396.57	\$ 77,396.56	\$ 77,396.56	\$ 159,639.08	\$ 92,085.00	\$ 70,802.51	\$ 41,952.61	\$ 17,079.77	\$ -
Kuukpiik/Arctic LLC JV - ACI Share	\$ -	\$ -	\$ -	\$ 74,361.42	\$ 74,361.42	\$ 179,319.92	\$ 114,395.80	\$ 67,833.79	\$ 40,307.42	\$ 16,409.98	\$ -
Short-Term Debt (Owners)	\$ 550,000.00	\$ 550,000.00	\$ 550,000.00	\$ 550,000.00	\$ 550,000.00	\$ 550,000.00	\$ 550,000.00	\$ 450,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00
Accrued Wages, PR Taxes, and 401k	\$ -	\$ -	\$ 179.94	\$ 193,519.65	\$ 278,663.56	\$ 433,383.91	\$ 449,906.33	\$ 355,721.74	\$ 252,462.41	\$ 221,592.30	\$ -
Insurance Fee Payable (refund to offset)	\$ -	\$ -	\$ -	\$ -	\$ 66,876.00	\$ 66,876.00	\$ -	\$ -	\$ -	\$ -	\$ -
Donations Payable	\$ -	\$ -	\$ -	\$ 9,591.77	\$ 8,445.97	\$ 2,678.65	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,148.73	\$ 38,148.73	\$ 38,148.73	\$ 38,148.73	\$ 20,864.66	\$ -
Total Postpetition Liabilities	\$ 683,259.19	\$ 681,884.62	\$ 618,643.59	\$ 1,684,204.25	\$ 3,326,887.23	\$ 4,459,963.28	\$ 3,795,340.21	\$ 2,630,457.67	\$ 1,186,674.30	\$ 630,748.38	\$ 444,411.59
Pre Petition Liabilities											
Accounts Payable	A \$ 1,491,564.12	\$ 1,491,564.12	\$ 1,491,564.12	\$ 1,598,011.52	\$ 1,618,553.76	\$ 1,634,371.59	\$ 1,665,320.62	\$ 1,684,282.30	\$ 1,687,390.58	\$ 1,711,904.99	\$ 1,737,026.39
Notes Payable (LCX)	B \$ -	\$ -	\$ -	\$ 764,965.87	\$ 764,965.87	\$ 764,965.87	\$ 764,965.87	\$ 764,965.87	\$ 764,965.87	\$ 764,965.87	\$ 764,965.87
Accrued BLM Camp Removal Fees	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 329,000.00	\$ 329,913.11
Accrued Wages, PR Taxes, and 401k										\$ -	\$ 237,812.18
Short-Term Debt (Owners)	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00	\$ 1,620,000.00
Accrued Interest Payable	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64	\$ 151,671.64
Worker's Comp Payable (24000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,216.00
Other Accrued Liabilities	C \$ -	\$ -	\$ -	\$ 11,253.42	\$ 24,185.30	\$ 29,980.67	\$ 31,269.29	\$ 31,944.87	\$ 62,865.18	\$ 212,397.25	\$ (28,033.28)
Accrued Bonus and BOD Fees (Pre-Petition)	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00	\$ 264,000.00
Kuukpiik/Arctic LLC JV - Kuukpiik Share	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54	\$ 544,662.54
Kuukpiik/Arctic LLC JV - ACI Share	C \$ -	\$ -	\$ -	\$ 527,958.56	\$ 527,958.56	\$ 527,958.56	\$ 527,958.56	\$ 527,958.56	\$ 527,958.56	\$ 527,958.56	\$ 527,958.56
Total Prepetition Liabilities	\$ 4,371,898.30	\$ 4,371,898.30	\$ 4,371,898.30	\$ 5,782,523.55	\$ 5,815,997.67	\$ 5,837,590.87	\$ 5,869,848.52	\$ 5,889,485.78	\$ 5,923,514.37	\$ 6,126,560.85	\$ 6,168,183.01
Total Liabilities	\$ 5,035,157.49	\$ 5,053,782.92	\$ 4,990,541.89	\$ 7,466,727.80	\$ 9,142,884.90	\$ 10,297,554.15	\$ 9,665,188.73	\$ 8,519,943.45	\$ 7,110,188.67	\$ 6,757,309.21	\$ 6,612,804.60
Stockholders' Equity											
Common Stock	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Paid In Capital in Excess	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00	\$ 298,680.00
Distributions	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)	\$ (460,000.00)

ARCTIC CATERING, INC.
COMPARATIVE BALANCE SHEET

	8/31/19	7/31/19	6/30/19	5/26/19	4/28/19	3/31/19	2/24/19	1/27/19	12/30/18	11/25/18	10/28/18
Retained Earnings	D \$ (3,208,411.31)	\$ (3,208,411.31)	\$ (3,208,411.31)	\$ (3,208,411.31)	\$ (3,208,411.31)	\$ (3,208,411.31)	\$ (3,208,411.31)	\$ (3,208,411.31)	\$ (183,500.53)	\$ (183,500.53)	\$ (183,500.53)
Net Income	\$ (522,749.14)	\$ (453,399.65)	\$ (282,969.85)	\$ (15,388.20)	\$ 280,078.60	\$ 497,112.84	\$ (121,519.38)	\$ (156,343.17)	\$ (2,730,185.03)	\$ (2,304,262.51)	\$ (1,934,768.90)
Total Stockholders' Equity	\$ (3,842,480.45)	\$ (3,773,130.96)	\$ (3,602,701.16)	\$ (3,335,119.51)	\$ (3,039,652.71)	\$ (2,622,618.47)	\$ (3,441,260.69)	\$ (3,476,074.48)	\$ (3,007,005.56)	\$ (2,581,083.04)	\$ (2,211,589.43)
Total Liabilities and Stockholders' Equity	\$ 1,192,677.04	\$ 1,280,651.98	\$ 1,387,840.73	\$ 4,131,608.29	\$ 6,103,232.19	\$ 7,474,935.68	\$ 6,223,938.04	\$ 5,043,868.97	\$ 4,103,183.11	\$ 4,176,226.17	\$ 4,401,015.17
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

A Detail of Changes in Pre-Petition Accounts Payable

12/30/18 Balance	\$ 1,687,390.58
and Stmt	\$ (3,108.28)
1/27/19 Balance	\$ 1,684,282.30
2/7/19 PACA payment to Charlies Produce	\$ (20,000.00)
Other Corrections per Review of Balances	\$ 1,038.32
2/28/19 Balance	\$ 1,665,320.62
3/19 PACA payment to Charlies Produce	\$ (17,000.00)
Reclass UMSPro invoices from Pre to Post based on period billed	\$ (13,949.03)
3/31/19 Balance	\$ 1,634,371.59
PACA payments to Charlies Produce and Keany	\$ (20,542.24)
Reconcile PACA Settlements and Utility Bills to books	\$ 4,724.41
4/28/19 Balance	\$ 1,618,553.76
PACA payments to Charlies Produce and Keany	\$ (20,542.24)
5/26/19 Balance	\$ 1,598,011.52
Alliance Bank Credit Card - Secured Claim	\$ (79,430.18)
PACA payments to Charlies Produce and Keany	\$ (27,017.22)
7/31/19 Balance	\$ 1,491,564.12

B LCX Note paid off upon Asset Sale (Secured Claim -AR)

C Other Accrued Liabilities - Pre-Petition Balance sb \$0 (related to United Way amount not due)
Kuukpik/Arctic LLC JV - ACI Share Offest by Investment in JV which was written off

D Prior Period Adjustments to Retained Earnings

RE at 12/30/18 (end of year - FYE 2018)	\$ (2,893,685.56)
Write off WC Deposit	\$ (139,337.00)
Write off L 48 Assets	\$ (33,622.36)
Write off Small Wares Inventory	\$ (139,766.39)
RE at 12/31/18 (BOY - FYE 2019)	\$ (3,206,411.31)

*Information provided on this page should reconcile with balance sheet amounts

ACCOUNTS RECEIVABLE	TOTAL	0-30 Days	31-60 Days	60+ Days
Total Accounts Receivable	\$0.00	\$0.00	\$0.00	\$0.00
Less Amount Considered Uncollectible				
Net Accounts Receivable	\$0.00	\$0.00	\$0.00	\$0.00

DUE FROM INSIDER	
Schedule Amount	\$73,277.79
Plus: Amount Loaned Since Filing Date	\$0.00
Less: Amount Collected Since Filing Date	\$0.00
Less: Amount Considered Uncollectible	\$0.00
Net Due From Insiders	\$73,277.79

INVENTORY	
Beginning Inventory	\$0.00
Plus: Purchases	
Less: Cost of Goods Sold	
Less: Sale of Assets	
Ending Inventory	\$0.00

Date Last Inventory was taken: Inventory sold on 6/17/19

FIXED ASSETS	SCHEDULE AMOUNT	ADDITIONS	DELETIONS	CURRENT AMOUNT
Real Property				
Buildings				
Accumulated Depreciation				
Net Buildings				
Equipment	\$1,068,753.62			\$1,068,753.62
Accumulated Depreciation				
Net Equipment				
Autos/Vehicles	\$249,334.62			\$49,170.06
Accumulated Depreciation				(\$46,206.39)
Net Autos/Vehicles				\$2,963.67

Provide a description of fixed assets added or deleted during the reporting period; include the date of Court order:

Asset Sale approved by Court 6/14/19

STATUS OF LIABILITIES AND SENSITIVE PAYMENTS

*Information provided on this page should reconcile with balance sheet and disbursement detail amounts

POST-PETITION LIABILITIES	TOTAL	0-30 Days	31-60 Days	61-90 Days	91+ Days
Accounts Payable *	\$35,862.62	\$1,536.62	\$34,326.00	\$0.00	\$0.00
Taxes Payable					
Notes Payable - Owner	\$550,000.00	\$0.00	\$0.00	\$0.00	\$550,000.00
Professional Fees Payable					
Secured Debt - LCX LOC					
Other (Listed below)					
Kuukpik/Arctic JV - Kuukpik	\$77,396.56	\$0.00	\$0.00	\$0.00	\$77,396.56
Accrued Wages, PR Taxes, 401k	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Post-Petition Liabilities	\$663,259.18	\$1,536.62	\$34,326.00	\$0.00	\$627,396.56

*DEBTOR MUST ATTACH AN AGED ACCOUNTS PAYABLE LISTING

PAYMENTS TO INSIDERS AND PROFESSIONALS

Insiders			
Name	Reason for Payment	Amount Paid this Month	Total Paid to Date
Dave Gonzales	Expense Reports - Operating and Travel Expenses	\$0.00	\$51,249.15
Dave Gonzales	Compensaton	\$56,765.45	\$116,165.45
Total Payments to Insiders			

Professionals				
Name	Date of Court Order Authorizing Payment	Amount Aproved	Amount Paid this Month	Total Paid to Date
Dickinson Wright Via LCX	per LCX agreement		\$0.00	\$79,821.58
May Potenza Baran & Gillespie	3/28/2019	\$163,385.19	\$19,412.29	\$163,385.19
Total Payments to Professionals			\$19,412.29	\$243,206.77

QUESTIONNAIRE

	YES	NO
Have any funds been disbursed from any accounts other than a Debtor-in-Possession account?		X
Are any post-petition receivables (accounts, notes or loans) due from related parties?		X
Are any wages past due?		X
Are any U. S. Trustee quarterly fees delinquent?		X

Provide a detailed explanation of any "YES" answers to the above questions: (attach additional sheets if needed)

Current number of employees: 2 Part time as of 8/31/19 - 1099 Payments vs W-2 due to Asset Sale

INSURANCE

Carrier & Policy Number	Type of Policy	Period Covered	Payment Amount & Frequency
CNA Connect - 3036045476	Property & Liability	7/1/19 - 7/1/20	Annual - Paid 7/17/19

What steps have been taken to remedy the problems which brought on the chapter 11 filing?

Sale of Assets Closed June 17, 2019

Identify any matters that are delaying the filing of a plan of reorganization:

None

DISBURSEMENT DETAIL

Bank Name Alliance Bank

ARCTIC CATERING INC - ALLIANCE OPERATING ACCOUNT (3391)

DISBURSEMENTS:

July 1, 2019 - July 31, 2019

Check #	Date	Payee	Amount	Purpose
BUSINESS - ORDINARY OPERATIONS				
Checks and EFT's:				
41841	8/1/19	Kristoffer Kaminski	\$681.96	Expense Reimbursement (Toner & Paper)
41842	8/2/19	Kristoffer Kaminski	\$2,896.94	Compensation 7/8 - 8/2
41843	8/5/19	Catalyst Ventures, Inc.	\$4,863.03	Rent (offset by \$1,826.71 rent collected)
41844	8/6/19	David Gonzales	\$30,000.00	Compensation 7/22 - 8/4
41845	8/6/19	Lorelei Gonzales	\$5,940.00	Compensation 7/22 - 8/4
41846	8/6/19	Iron Mountain	\$67.80	Utility - Shredding service AZ office
41847	8/6/19	Jaime Gonzales	\$544.00	Compensation 7/25
41848	8/6/19	May, Potenza, Baran & Gillespi		Reported Below
41849	8/6/19	Lorelei Gonzales	\$801.24	Expense Reimbursement (Sage accounting software)
41850	8/12/19	Jaime Gonzales	\$1,632.00	Compensation 8/5 - 8/12
41851	8/12/19	Marcus Losada	\$2,200.00	Compensation 7/18 - 8/2 - FINAL CHECK
WIRE 8/13	8/13/19	AACSS (dba Latitude Catering)	\$16,445.16	Reimbursement for Pre-Sale Expenses
41852	8/14/19	Jaime Gonzales	\$2,397.65	Compensation 7/22-8/4 - FINAL CHECK
41853	8/20/19	Lorelei Gonzales	\$4,129.46	Compensation 8/5-8/18
41854	8/20/19	Kristoffer Kaminski	\$1,758.90	Compensation 8/5-8/18 - FINAL CHECK
41855	8/20/19	David Gonzales	\$26,765.45	Compensation 8/5-8/18

DISBURSEMENTS - 3391 Business Ordinary Operations	\$101,123.59
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Pre-Petition Debt

DISBURSEMENTS - Pre-Petition Payables	\$0.00
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Bank Fees:

Bank Fee ACH 8/22/19	Alliance Bank	\$661.25
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DISBURSEMENTS - Pre-Petition Payables	\$661.25
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Reorganization - Attorney Fees:

41848	8/6/19	May, Potenza, Baran & Gillespi	\$19,412.29	3/28/19 Court Order
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DISBURSEMENTS - Attorney Fees	\$19,412.29
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US Trustee Fees:

DISBURSEMENTS - US Trustee Fees	\$0.00
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ARCTIC CATERING, INC.
Aged Payables
As of Sep 3, 2019

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

Vendor ID Vendor	Invoice/CM #	Date	0 - 30	31 - 60	61 - 90	Over 90 days	Amount Due	Age
COX Cox Business	Due 9/7	8/27/19	278.64				278.64	7
COX Cox Business			278.64				278.64	
INDEED INDEED INC	24076536 - 6/3	8/31/19	201.06				201.06	3
INDEED INDEED INC			201.06				201.06	
NORTH SLOPE BOROUGH North Slope Borough	P-010-002-54 2	8/26/19	1,056.92				1,056.92	8
NORTH SLOPE BOROUGH North Slope Borough			1,056.92				1,056.92	
VILLA Villanueva & Company, P.C.	1207818	7/24/19		34,326.00			34,326.00	41
VILLA Villanueva & Company, P.C.				34,326.00			34,326.00	
Report Total			1,536.62	34,326.00			35,862.62	

ALLIANCE BANK

OF ARIZONA

Alliance Bank of Arizona, a division of Western Alliance Bank.
Member FDIC.

PO Box 26237 • Las Vegas, NV 89126-0237

Return Service Requested

ARCTIC CATERING INC
CH 11 DEBTOR IN POSSESSION
CASE 2:18-BK-13118
OPERATING ACCOUNT
7373 E DOUBLETREE RANCH RD SUITE 125
SCOTTSDALE AZ 85258-2037

Last statement: July 26, 2019
This statement: August 23, 2019
Total days in statement period: 28

Page 1 of 3
XXXXXX
(0)

Direct inquiries to:
877-273-2265

Alliance Bank Of Arizona
6263 North Scottsdale RD Suite 100
Scottsdale AZ 85250

THANK YOU FOR BANKING WITH US!

Analyzed Business Checking

Account number	XXXXX	Beginning balance	\$866,897.62
Low balance	\$777,345.31	Total additions	291,698.34
Average balance	\$838,262.68	Total subtractions	373,739.51
Avg collected balance	\$835,558	Ending balance	\$784,856.45

CHECKS

Number	Date	Amount	Number	Date	Amount
41839	08-05	472.79	41848	08-13	19,412.29
41840	08-15	210.09	41849	08-14	801.24
41841	08-02	681.96	41850	08-16	1,632.00
41842	08-05	2,896.94	41851	08-15	2,200.00
41843	08-14	4,863.03	41852	08-16	2,397.65
41844	08-07	30,000.00	41853	08-21	4,129.46
41845	08-07	5,940.00	41854	08-21	1,758.90
41846	08-12	67.80	41855	08-21	26,765.45
41847	08-21	544.00			

DEBITS

Date	Description	Subtractions	
07-29	ACH Debit DISCOVERY BENEFIT PLAN FUND 190729 19207CBBA15C6	120.00	*
07-29	ACH Debit DISCOVERY BENEFIT PLAN FUND 190729 19207F0485555	313.38	*

* BOOKED IN JULY - REBUREAU
7/24 BY ALCSS

ARCTIC CATERING INC
August 23, 2019

Page 2 of 3
XXXXXX

Date	Description	Subtractions
08-05	' Wire Dr O/L Usd OUTGOING WIRE BNF ALASKA ARCTIC CATERING AND SUPPO RT;REF ;WIRE/OUT - 20192170229400	24,817.68 <i>0</i>
08-13	' Wire Dr O/L Usd OUTGOING WIRE BNF ALASKA ARCTIC CATERING AND SUPPO RT;REF ;WIRE/OUT - 20192250154700	16,445.16
08-13	' Wire Dr O/L Usd OUTGOING WIRE BNF ALASKA ARCTIC CATERING AND SUPPO RT;REF ;WIRE/OUT - 20192250137900	226,608.44 <i>H</i>
08-22	' Analysis Results Chg ANALYSIS CHARGES FOR 07/19	661.25

CREDITS

Date	Description	Additions
08-02	' Online Transfer Cr REF 2141541L FUNDS TRANSFER FRMDEP FROM CONOCO DEPOSIT	24,817.68 <i>0</i>
08-02	Cash Vault Deposit	626.71
08-02	Cash Vault Deposit	18,000.00
08-02	' ACH Credit ALASKA ARCTIC CA SENDER 190802 428220150	5,930.00
08-13	' Online Transfer Cr REF 2251050L FUNDS TRANSFER FRMDEP FROM CONOCO TRANSFER	226,608.44 <i>H</i>
08-14	Cash Vault Deposit	182.78
08-21	Cash Vault Deposit	8,021.59
08-23	' ACH Credit EPA TREAS 310 MISC PAY RMR*IV*AK00027618R -08/04/2019-EPC1701*PI*7511.14*EPC17013A	7,511.14

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
07-26	866,897.62	08-12	850,961.46	08-21	778,006.56
07-29	866,464.24	08-13	815,104.01	08-22	777,345.31
08-02	915,156.67	08-14	809,622.52	08-23	784,856.45
08-05	886,969.26	08-15	807,212.43		
08-07	851,029.26	08-16	803,182.78		

AR
0 July Post SALE COLLECTIONS WIRE TO AARCS
H AUGUST Post SALE AR COLLECTIONS WIRE TO AARCS

ARCTIC CATERING INC
August 23, 2019

Page 3 of 3
XXXXXX)

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

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ALLIANCE BANK

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Member FDIC.

PO Box 26237 • Las Vegas, NV 89126-0237

Return Service Requested

ARCTIC CATERING INC
CH 11 DEBTOR IN POSSESSION
CASE 2:18BK-13118
COLLATERAL ACCOUNT
7373 E DOUBLETREE RANCH RD SUITE 125
SCOTTSDALE AZ 85258-2037

Last statement: July 26, 2019
This statement: August 23, 2019
Total days in statement period: 28

Page 1 of 2
XXXXXX
(0)

Direct inquiries to:
877-273-2265

Alliance Bank Of Arizona
6263 North Scottsdale RD Suite 100
Scottsdale AZ 85250

THANK YOU FOR BANKING WITH US!

Analyzed Business Checking

Account number	XXXXXX	Beginning balance	\$0.00
Low balance	\$0.00	Total additions	251,426.12
Average balance	\$21,177.35	Total subtractions	251,426.12
Avg collected balance	\$21,177	Ending balance	\$0.00

DEBITS

Date	Description	Subtractions
08-02	' Online Transfer Dr REF 2141541L FUNDS TRANSFER TO DEF FROM CONOCO DEPOSIT	24,817.68
08-13	' Online Transfer Dr REF 2251050L FUNDS TRANSFER TO DEP FROM CONOCO TRANSFER	226,608.44

*Booked
in July*

CREDITS

Date	Description	Additions
07-29	' ACH Credit CONOCO PHILLIPS PAYMENTS NTE*ZZZ* AK0002773 6-6/23/2019	24,817.68
08-07	' ACH Credit CONOCO PHILLIPS PAYMENTS NTE*ZZZ* 1004-6/30 /2019	47,130.60
08-12	' ACH Credit CONOCO PHILLIPS PAYMENTS NTE*ZZZ* ALPINE010 33-6/30/2019 ALPINE01033-6/30/2019 ALPINE01033-6/30/20	86,961.52

*Booked
in July*

ARCTIC CATERING INC
August 23, 2019

Page 2 of 2
XXXXXX

Date	Description	Additions
08-12	ACH Credit	92,516.32
	CONOCO PHILLIPS PAYMENTS 190812	
	YA 22000272149	

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
07-26	0.00	08-02	0.00	08-12	226,608.44
07-29	24,817.68	08-07	47,130.60	08-13	0.00

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

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Return Service Requested

ARCTIC CATERING INC
CH 11 DEBTOR IN POSSESSION
CASE 2:18BK-13118
PAYROLL ACCOUNT
7373 E DOUBLETREE RANCH RD SUITE 125
SCOTTSDALE AZ 85258-2037

Last statement: July 26, 2019
This statement: August 23, 2019
Total days in statement period: 28

Page 1 of 1
XXXXXX
(0)

Direct inquiries to:
877-273-2265

Alliance Bank Of Arizona
6263 North Scottsdale RD Suite 100
Scottsdale AZ 85250

THANK YOU FOR BANKING WITH US!

Analyzed Business Checking

Account number	XXXXXX,	Beginning balance	\$0.00
Low balance	\$0.00	Total additions	.00
Average balance	\$0.00	Total subtractions	.00
Avg collected balance	\$0	Ending balance	\$0.00

**** No activity this statement period ****

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

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